A Lesson in Church Finance

or

The Financial Methods

of

George Chandler Paul

Accounting Warden in

Old St. John's Episcopal Parish

Philadelphia

AN EXPLANATION TO THE MEMBERS OF ST. JOHN'S CONGREGATION, PREPARED AND READ AT THE MORNING SERVICE, SUNDAY, SEPTEMBER 26, 1915, BY THE RECTOR,

REV. GEORGE CHALMERS RICHMOND.

AS RECTOR of St. John's Parish, it becomes my duty to state that the funds of this Parish have been so carelessly and dishonestly managed by the Accounting Warden, George Chandler Paul, that at a meeting of the Parishioners, held last Tuesday night, in the Parish Hall, it was deemed advisable to request Mr. Paul to appear before us and make an explanation of his revealed irregularities. He had been invited to be present Tuesday night, but preferred to remain away. At the meeting Tues-

day night the vote was unanimous. The congregation also indorsed my action in making a public statement of the financial irregularities. On Wednesday, I wrote Mr. Paul an account of the action of Tuesday night, and especially called his attention to the desire on the part of our people that he appear before them and give an explanation for his financial mismanagement of the Parochial funds. Yesterday I received this letter from Mr. Paul:

1321 North 13th Street,

Philadelphia, September 24, 1915.

Rev. Geo. C. Richmond:

Sir—Your letter of September 22, 1915, is received. I recognize no liability on my part to account to any meeting of alleged Parishioners of St. John's Church which you may call. My only duty is to account to the lawful vestry of that Church. As soon as the Courts finally decide who compose the lawful vestry, I shall promptly account to them and turn over to the Accounting Warden whom they may elect, the books, papers and funds of the Church in my hands, and I am sure they will be satisfied with my accounts. In the meantime, I decline further to discuss the matter with you. Yours,

GEO. CHANDLER PAUL.

As usual, Mr. Paul is evasive. During all the years of my ministry here he has acted in a tricky, under-handed way, and now in order to cover up his wrongdoing he hides behind technicalities and legalities. He refuses to confer with me or to meet the gentlemen on our vestry or to discuss with our Parishioners the matters which pertain to the ordinary conduct of our Parochial affairs. He did not act this way a few weeks ago, when in July he recognized by letter my Pastoral authority. He did not so act in April, when he stood before this Chancel, holding out his hands eager to clutch the large Easter offering which this year he did not have a chance to grab. He was not of this mind on January 3, 1915, when he signed his name to a document reading thus:

St. John's Parish House,

Philadelphia, January 3, 1915.

To the Parishioners of St. John's Parish and Citizens of Philadelphia:

We, the undersigned members of the Prudential Committee of St. John's Vestry, do hereby reaffirm our faith and loyalty for the Rector, the Rev. George Chalmers Richmond. We desire that he may continue for many years in the Rectorship of this historic Church, and we propose as individuals and collectively to do all in our power to bring this desire to pass. Dr. Richmond has been a most faithful Pastor, an excellent executive, a strong preacher and a leader of municipal activities. He has made our Church a valuable asset in the progressive civic consciousness which is beginning to mark Philadelphia's present day life. We deplore Bishop Rhinelander's lack of appreciation of Dr. Richmond's work. We denounce the unseemly and wicked actions of our fellow vestrymen, Charles A. Brown and William T. Hamilton. These young men our Rector has befriended in days past. He has helped them religiously and socially to attain their present positions in the world of business. In return for all he had done for them they now plot disaster for our ancient Parish. Their efforts we shall resist. To our beloved Rector we again pledge our moral and financial support, and reassure him of our esteem, our admiration, and our loyalty.

ROBERT L. KEENE,
WM. A. KELLY,
GEO. CHANDLER PAUL,
THOMAS F. BOZARTH,
GEO. C. PAUL, JR.

Mr. Paul's attitude toward me changed visibly when I took from him a few months since all the financial accounting. I had so far lost all confidence in his business ability, his honesty and integrity, that I decided to take into my own hands all the funds of our Church which accumulate from week to week on the altar

of the Church, in the envelopes, from pew rents and from special sources.

At Easter, 1915, the collections were given the Rector. This action offended Mr. Paul, as he has always thought that he had a right to take and hold all monies from whatever source that were received in Church. He was possessed with the **money habit.** He was suspicious of other people in the Parish and when I first came among you cast reflection on the financial integrity of your late Rector, the Rev. Oscar S. Michael.

In view of all this I propose this morning to briefly state certain parts relating to Mr. Paul's methods of managing the funds of this Parish so that the Public may know some of the evils I have had to contend with since I came to St. John's, and so Mr. Paul's case may be a warning to other Accounting Wardens.

FACTS.

1. At Easter, 1914, Mr. Paul owed this Parish $480. For two or three years some of the people who had to do with helping me raise our money had become critical of Mr. Paul's actions. He always seemed more anxious to get hold of our various funds and offerings than anything else. He often complained to me that too few of our Parishioners employed him at their funerals. We allowed him to place on the outside of the Church building two signs advertising his undertaking business.

So indignant have our people become toward Mr. Paul for his financial trickeries that they have lately been removed. Although our people increased their Sunday offerings; although our Christmas and Easter collections grew steadily so that several hundred dollars was the usual result at every Easter during my Pastorate since the first year I was among you, and although our pew rents and income from investments were all as good if not better than before I came, we were always on the edge of a financial precipice.

Mr. Paul frequently came to me and said: "We'll need some money, Rector, to meet our bills. How can we do it?" Then I had to go to work and raise the cash which I was always able to accomplish because of the faithful women, young and old, who formed our various Parish societies. Did Mr. Paul help? No—only to grab the cash when it came in. Did he bring in his chil-

dren to help? No! They are all distributed in four or five Churches so that the undertaking business may be increased. George C. Paul, Jr., was put on our vestry so, as his father told me, "the family name might be honorably perpetuated." Some of us now think he intended to say "so that Paul may forever have a chance to rob St. John's."

Did Chas A. Brown turn in and help? Oh, no. Brown has never helped me raise our money. He was always talking what he intended doing, but never did it. He was always behind in everything. If he made a date on which to meet me, he was an hour late, as a rule. If he said "I will be in the Choir next Sunday," it was two or three months afterward when we next saw him in the flesh. His entire family were always behind in their dues and pledges. If I had depended on the Pauls, and Browns, St. John's would now be "on sale" for debts. Through the splendid efforts of our people we were able to raise all the money necessary to meet our bills as they came in. But the pressure was great. The efforts had to be continuous. I had to preach and do the usual Parish work and then raise the running expenses of the Parish as well. In our Parish House, gymnasium, etc., I had no help from any of my vestry men. And so I grew suspicious of Mr. Paul, I wondered where all our money went. People came to me and said, "Do you think Mr. Paul's accounts all right?" I never got any satisfaction from Chas. A. Brown when I spoke to him about it, for he always put it off by saying, "Mr. Paul is an old man; even if he does make a mistake, we must not bother him." You see, it has since come out that Paul and Brown were fellow conspirators against our Parish and against me in particular.

Bishop Whitaker had warned me of this condition of affairs when I became Rector with his Episcopal approval. "You won't find a single man over there," said the Bishop, "who is fitted to help you run the Parish financially. They are all poor, ignorant and not to be depended on."

It is partly this crowd of whom our beloved Bishop spoke who now appear against me in Civil Court, so afraid are they that our endowment funds will be attacked by me. Do you know what a bad business was accomplished by these men, Paul, John Brown and Dan Grafley a few years ago during the Rectorship of Rev. R. Heber Barnes.

Poor Mr. Barnes had lost almost his entire congregation through poor preaching, an easy-going way and a bad vestry. The Parish couldn't pay him his salary, so they sold the Rectory on Fifth Street to St. John's Methodist Church for a good sum—several thousand—and then instead of investing the cash gave it out in driblets to Rev. R. H. Barnes in order to keep his salary paid up. Instead of getting a Rector who could build up the Parish, they took the easiest course and allowed things to run down hill till this Parish was almost obliterated. There was talk in those days of making St. John's a chapel of Christ Church, but when our vestry men realized they would no longer hold official position and would be in ecclesiastical exile—as it were—they refused to enter into any such combination.

One of the first things I determined on when I became Rector was to allow no financial obligations to accumulate and to watch the way our monies were handled. Bishop Whitaker had warned me of the troubles ahead and I desired to forestall them if possible. When I suspected Geo. Chandler Paul, therefore, I began to quiz him at various times as to how our back monies were being spent.

On the night of the first vestry meeting following Easter, 1914, he came to me in the room below and confessed this fact: "I have $480 which belongs to the Church, of which you know nothing. I hope you will keep the matter quiet, for, if the people hear of it, they will not give readily and I will be ruined." I assured Mr. Paul that his secret was safe with me. I thought, of course, he would at once return the money to the Parish bank account and would conduct his affairs more properly in the future. In the Church we must forgive and have mercy. We are all liable to err. I felt sorry for Mr. Paul, and kindly, too, for I hoped that as a result of his sin he would have more compassion on others and also be more loyal to me, who had stood by him in his trouble.

2. In July, 1914, I was paid my salary and from that time till September 15. I received no money from Mr. Paul, although in August we receive a large share of our income from invested funds. When I returned from my vacation in September, Mr. Paul handed me a check for $50.00 and said, "Sorry I couldn't give you this before, but I didn't know where to address you." Strange, wasn't it, that while other people wrote me at my usual city address and had their letters forwarded, Mr. Paul didn't know enough to do the same. You see he didn't want to pay me what was mine and he hadn't yet deposited to the credit of the Parish

in our account at the Northern Trust Company, the money he had stolen during the year before. He still had in his possession the funds which belonged to our Church. Do you call such a man honest? Is he fitted to be an Accounting Warden? Is he not a trickster? Is he not a thief? I call him what he is, an embezzler, a Church embezzler, a stealer of the Lord's money.

3. In November, 1914, during our 100th Anniversary, Mr. Paul, Chas. A. Brown and Bishop Rhinelander conspired and plotted how they could get rid of me as Rector of St. John's. They were afraid to consult with me or to talk openly about it, but, like the men who wanted to crucify Jesus, they went about their task like thieves, deceivers and moral weaklings as they were. Mr. Paul couldn't keep a secret, and as he wanted to be on both sides, he came to me later on and told me all about it. You see, he was afraid I was going to win out after all, and he wanted to be on the winning side. He always placed business first. He told our vestrymen one day as we sat in his office, at Seventh and Poplar Streets, that he was a hypocrite to a certain degree, for he couldn't bear to think of losing, as he said, the undertaking business of the Browns, the Grafleys, the Bob Pattons, etc. He put business before Jesus always. That's why he is in nervous prostration today. That's why his name no longer stands for honesty and integrity. That's why his pew is vacant today. That's why he stopped coming to Church. That's why he began to tell lies about me. That's why I am telling you this story of his wrongdoing today.

4. December 14, 1914, was the date of our memorable vestry meeting. At this meeting Mr. Thomas F. Bozarth, a reputable citizen of Philadelphia, who had been attending services pretty regularly for two years past, was elected a vestryman. The Brown faction wanted to elect a boy, Roy McDermott, to fill the vacancy Mr. Bozarth was elected to fill, but was defeated. McDermott worked at Henson's lumber yard, and there seemed a strong desire to have this Parish find its financial base in that region of the city.

At this time Mr. Paul still owed the Parish money. He had not made up the Easter deficiency to which he had confessed. During this meeting he arose and in a dramatic manner turned to me and said, while handing me a check (which I now have in my hand)—I quote from the Secretary's book: "Gentlemen, I hand herewith a check to the Rector for his salary. I also

desire to state that, inasmuch as certain whisperings are going on around the Parish concerning my accounts, that there is at present in the bank to our account sufficient funds to meet all our necessary expenses."

This was a deliberate falsehood. If this statement had been made by a bank treasurer, and what I am going to tell you now had happened, the man would have been discharged from his position. At this meeting the Brown faction attempted to compel me to resign, but failed, as they have right along. **"Man proposes, or Bishops, but God disposes."** Charles A. Brown had gone to Mr. Paul before this meeting and had said to him: "We want to get Richmond out of St. John's as quick as possible, for Francis A. Lewis tells me if we can do that Richmond will be ruined, and the Diocese will stop the ecclesiastical trial. We want you to vote against Richmond. Will you do it?" "How can I," said Mr. Paul, "you know I still owe the Church some money. You know that I got into a hole last year and had to take some of the Church funds to pay my business obligations." "Oh, that's nothing," said Charles A. Brown, "we all do those things at times. I'll give you a check to cover all if you'll go into vestry meeting and vote Richmond out."

So Charles A. Brown gave Mr. Paul a check to cover Paul's deficiency. It was a bribe, pure and simple. That's the kind of man this lumber dealer is. He's a perjurer, too. In Judge Ferguson's Court last March he told a deliberate lie on the stand. He maintained he had attended Church during the past three years on an average of once a month. In reality he had been here about seven times. No wonder the lumber business is filled with scalawags. No wonder these Browns do not attend Church now. Their sins have found them out.

Now what happened. During the vestry meeting while there was a pause in the conduct of business I called Mr. Paul into my office and asked him about his financial accounting. I found out he was rather shaky and yet inclined to make light of what I was saying. "Mr. Paul," said I, "do you know you are an embezzler? Do you know that you have in your possession funds that belong to this Church? Do you know that I have gone without my salary for months so you could use the funds of this Parish in your business? Do you know that you will be ruined if I expose you?" Mr. Paul almost fainted. Geo. Paul, Jr., who had come out with us, said to his father, "Do what Mr. Richmond tells you, father, and all will be well."

So Mr. Paul stood by his Rector at that night's vestry meeting and had to give back to Charles A. Brown the briber's check. Just think of it! Brown, my former Rector's warden, bribed an Accounting Warden to vote against his Rector. This is the kind of a deal Bishop Rhinelander will stand for. This is the kind of reform work Francis A. Lewis, one of our Committee of One Hundred, rejoices in. Shame on such moral wrigglers, and spiritual wobblers. They are a cheap set. All of them. Christianity can't have much of a chance in our Diocese with such rascals at our head.

Now, listen to this. At the close of the vestry meeting, Mr. Paul asked me to remain so he could talk with me in private. What do you suppose he said? "Mr. Richmond, what I said tonight about our funds in the Northern Trust Company is not correct. I wish you would not present that check I gave you for at least a week or till I get cash enough to put in the bank to make up my deficiency." You see, Mr. Paul had lied in vestry meeting and had done it dramatically. I promised to oblige him and I kept my promise to this day. Here is the check. It has never gone out of my hands. To be sure, it's mutilated, but it's ready to do its work whenever George Chandler Paul is willing to face its little story. This is the story:

The next day, December 15, 1914, I went to the Northern Trust Company, where our Parish money is deposited, and saw the paying teller. Going up to his window I said, as I held out to him my check, "If I return in an hour and am identified (I had never seen the man before), will you cash this check? Is there money enough?" After a brief examination, his clerk returned with the statement, "No, we can't cash it. There are not funds enough." The paying teller denoted on the check, "Not sufficient funds," and **Mr. Albert F. Ritter,** of 882 North Pennock Street, a member of the Church of the Covenant, signed his name as a witness. The check was "no good." I had found out my Accounting Warden. Our Church funds were not in our banking account where our people had supposed them to be, but in George C. Paul's business operations. My salary had not been paid and our coal bill went for months unpaid so Mr. Paul could pay his bills promptly. I said nothing at that time to Mr. Paul, but let the matter rest. Later on, when I told him I wanted my salary, he turned enough money into the bank to pay my bill and all others. How long Mr. Paul's manipulation of our funds had continued I do not know, for he has not asked for an audit

of his books. The vestry did not act at that time, for we had sympathy for him and hoped he would do right. Of late, however, he has proven careless and has circulated stories about me, our Church and his relation to it which are false. I feel that the time has come to tell the truth. I have told it.

I am taking care of all offerings, collections, pew rents, etc., at the present time. No more money will go into Mr. Paul's hands while I am Rector if I can prevent it. As Bishop Whitaker said, I have had a poor lot of vestrymen to deal with. My Accounting Warden proves himself an embezzler. How long he stole our money no one seems to know. From what Charles A. Brown says in the "Evening Bulletin," I shall not be surprised if we find that he (Brown) was a partner to the embezzlement. A perjurer will also steal, you know. Then another vestryman, Tom Gale, who works at Henson's Lumber Company, refused for over a year to give me an accounting of our envelopes and I was obliged to remove him from his position. He was careless, surly, ugly and defiant and walked all around the Parish Hall the night he was discharged shouting, "To hell with Richmond." But I am still here. The only hell I know is the kind such men make.

No one comes forward to defend Mr. Paul except the perjurer, Charles A. Brown. In the "Evening Bulletin" he says: "Mr. Paul has been a member of St. John's Church for forty years and has been Accounting Warden twenty-five years." "Very well then," we answer, "It's time we had a change, for if in two or three years we were $480 out, who knows what we have lost in twenty-five years?" Again Mr. Brown speaks: "Mr. Paul was simply careless in **mixing** up the Church funds with his personal account." This is just what we charge. They all admit it. George Chandler Paul took our offerings from the altar and put them into his own bank account and used them for his own purposes. Mr. Brown says: "When, at the end of the fiscal year, he balanced his books, to his astonishment he found a shortage." Of course he did. And for such shortages bank cashiers go to prison. I saw a Baptist banker in Charlestown Prison at Boston some years since who took funds out of one treasury and used them to cover up a deficit in another treasury, both of which were in his hands. One night the bank examiner happened in and the man was "sent up" for sixteen years. He was a Deacon in the Baptist Church. But men of

Charles A. Brown's (Henson & Co.) moral standing laugh at such little things.

The great question, however, is this. If at Easter, 1914, Mr. Paul was astonished at a shortage and if he had our cash in his own bank account, why in the name of common sense did he wait until December, 1914, and then take cash (as Brown admits in a printed statement), to cover up his Church bank shortage, which existed still at that time. If he meant well toward our Parish and told me the truth at Easter, 1914, why didn't he at once make an effort to return the stolen funds? He didn't return them until he had to. I am sorry to say in this old Parish Church before this ancient altar that he whom we trusted has proved to be our Judas. George Chandler Paul embezzled our Parish funds. If I speak not the truth, he can sue me in a court of law for libel. I do speak the truth, and he knows it. Instead of coming before us in Christian humility and confessing his crime and sin, he takes refuge with Chas. A. Brown and evasion, the two go together.

Just one word more, Chas. Brown states: "So highly is Mr. Paul esteemed by all parties in the church that both the opposing vestries elected him a vestryman last Easter." Again "our Charles" makes a wrong admission. We held no election last Easter. The "Curbstoners" held one in the Bodine Street alleyway, but failed to make Mr. Paul their accounting warden. Instead they put a young fellow from Henson's lumber mill into that office, and so today some of our trust funds go into the hands of this young sprout, who has never had any financial experience, but who simply happened to be a friend of the Browns, and works at Henson's. One other member of the curbstone vestry is under suspicion at this time—Dan Grafley, of 2009 West Girard Avenue. He looked after our mortgages and lately has so manipulated them that part of our income from investment goes into the hands of this young fellow at Henson's lumber office. In fourteen years Grafley has attended but one vestry meeting, and since I have been Rector has never given me an account of his Parish investments. What his "rake-off" has been I can't say at this time. I have endeavored to have him give an accounting, but he has never appeared before us at any vestry meeting since I have been Rector. Mr. Paul has conferred with him occasionally and has assured us in vestry meeting that "Dan" was all right, but Mr. Grafley himself has never appeared.

It seems singular. His actions are suspicious. Just now he is siding with the Brown faction, because he knows that if I am removed his accounts will never be questioned. The "curbstone" vestrymen have sought to use old St. John's Parish to help themselves in a social and business way. I have demanded strict honesty and absolute loyalty to our highest and best interests and have sought to have our Church stand for progressive and modern movements which mean the elevation of the people, more democracy within the Church and greater Christian zeal and efficiency all around. These men, Paul, Brown and Grafley, have tried to impede my efforts and damn my spirit. Paul is an embezzler and will never go into court to disprove it.

Chas. A. Brown is a perjurer and bribe-giver and lacks the moral guts to come out into the open to even discuss what I charge him with. Dan Grafley is a moral coward and lacks the sand and moral consciousness a vestryman ought to have.

I speak frankly and bluntly, not because I like this sort of business, but because I feel the public ought to know the truth about St. John's controversy.